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## State Board of Equalization

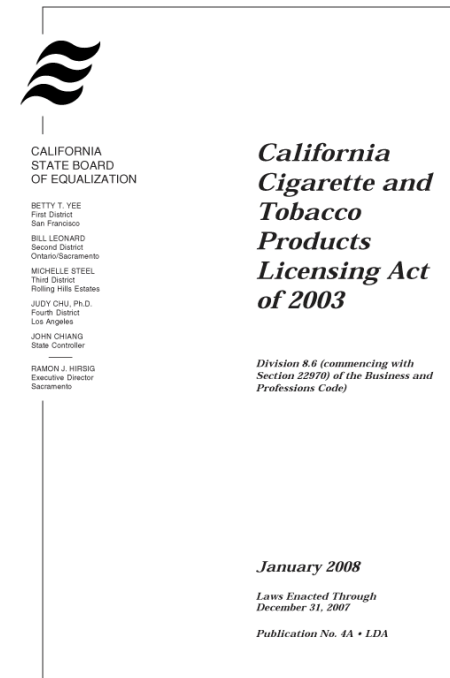
# Retail Sales of Cigarettes and Tobacco Products in California

## What All Retailers Should Know



# California Cigarette and Tobacco Products Licensing Act

- Effective January 1, 2004.
- For sellers of cigarette and tobacco products in California, the Act established, among other things:
  - Licensing requirement
  - Invoice requirements
- Increased the Board of Equalization's (BOE) administrative responsibilities regarding cigarette and tobacco tax laws.



# Licensing

- To sell cigarettes or tobacco products at retail, you must apply for a Cigarette and Tobacco Products Retailer's License for each location.
- This state license is separate from any local city tobacco licenses required.
- You will receive an application for a license when you apply for your seller's permit or you may call the Excise Taxes Division at 800-400-7115.
- The current one-time fee is \$100 per location.



# Licensing

- The license is valid for a 12-month period and required to be renewed annually.
- A reinstatement fee of \$100 is required if a license is not renewed timely.
- If adding a location, the new location must be added to the seller's permit before a cigarette and tobacco product license can be activated for the new location.



# Licensing

- Submitting an application and fee does not mean sales of cigarettes or tobacco products can begin. The retailer must be in possession of the license and it must be displayed.
- Applications are promptly processed but may take 2 to 4 weeks for a license to be issued.
- A license is not assignable or transferable.



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# Licensing

## Wholesaler or Distributor License

- A Retailer's cigarette and tobacco license allows you to make retail sales only to legal-aged consumers.
  - To engage in sales of cigarette and tobacco products to other retailers or wholesalers, you must obtain a separate Distributor or Wholesaler License. Sales to other retailers, wholesalers, or distributors are illegal if you are not properly licensed.
  - For more information on obtaining a Distributor or Wholesaler License, contact the Excise Taxes Division.
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